



Department of  
**Economic &  
Community Development**

Capital Projects  
Fund



# CPF MIDDLE/LAST MILE BROADBAND GRANTS

Program Details and Application Process

August 10, 2023

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Welcome!

# Agenda

- A. Middle Mile/Last Mile Grants: Program Description
- B. Eligibility Requirements
- C. Application Information
- D. The Application Review Process
- E. Summary
- F. Next Steps



Tag your questions in the chat!  
#MMLMQuestion



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# A. Middle/Last Mile Grants: Program Description

# Middle/Last Mile Grants: Program Overview (01/03)

## High-level details

There are some key differences between the two program types.

### Key Differences:

Grant Program	Middle Mile	Last Mile
Infrastructure Type	Middle mile (last mile component required)	Last mile (middle mile component optional)
Eligible Areas	Excludes Polk, Hardin, and Wayne counties	Applies to Polk, Hardin, and Wayne counties only
Additional Restrictions	Priority will be given to areas lacking 25/3 Mbps. No more than 30% of the total project funds may be allocated to the last mile component.	Areas where federal or state funding has been obligated are not eligible. No more than 30% of the total project funds may be allocated to the middle mile component.

# Middle/Last Mile Grants: Program Overview (02/03)

## Federal award information

Period of performance for both programs:

- All contracts with grantees must be in effect by June 30, 2024.
- The contract period must end within two years of execution of the contract.

## Funding:

Grant Program	Budgeted \$	Maximum
Middle Mile	\$125M	\$15M per application
Last Mile	\$60M	\$20M per county



# Middle/Last Mile Grants: Program Overview (03/03)

## Funds matching

Each **grant ("Grant")** will cover up to 70% of eligible project expenses, with a required 30% **match by the grantee ("Grantee Match")**. Additional points will be given to grantees who exceed the required 30% match.

- If a recipient has an **additional match ("Additional Match")**, they will receive a lower percentage of **reimbursement ("TNECD reimbursement")** per invoice, as the additional match increases the total funding of the project.
- The 70% match will be applied to the original project funding amount only.

Grant	Grantee Match	Additional Match	Total	Calculation	Ratio/Breakdown	Monthly Invoice	TNECD Reimbursement
\$7M	\$3M	N/A	\$10M	\$3M (total match) ÷ \$10 (project total)	TNECD pays 70% Grantee pays 30%	\$60k	\$60k x 70% = \$42k
\$7M	\$3M	\$2M	\$12M	\$5M (total match) ÷ \$12 (project total)	TNECD pays 58.3% Grantee pays: 41.7%	\$60k	\$60k x 58% = \$35k

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## B. Eligibility Requirements



# Eligibility Requirements (01/09)

## Eligible entities

The following entities are eligible to apply for Middle Mile and Last Mile Grant Programs:

- Political subdivisions or entities of political subdivisions
- Corporations
- Limited liability companies (LLCs)
- Partnerships or other business entities
- Cooperatives organized under Tenn. Code. Ann. § 65-25-101 et seq. and § 65-29-101 et seq.
- Any other entity authorized by state law to provide broadband services



# Eligibility Requirements (02/09)

## Applicant qualifications

Qualified applicants should demonstrate a **need** for funding assistance to serve the project area, quality **partnerships**, and **support** from community organizations.

Applicants will be assessed on:

- Their **financial, managerial, and technical capabilities** to complete the project on time and within budget
- Their **experience** with broadband or ability to bring on qualified experts
- Their **impact** on the community served, e.g.:
  - Plans to provide service to a community anchor institution (CAI)
  - Impacts on:
    - Job creation
    - Healthcare delivery
    - Economically distressed areas
    - Educational access.

Applicants should demonstrate a thoughtful plan for adoption of broadband, including addressing **relevance, skills, and affordability**.



# Eligibility Requirements (03/09)

## Applicant qualifications: financial capability

Applicants must provide certification verifying that they:

- Are **financially qualified** to meet the obligations associated with a project
- Have **available funds** for all project costs that exceed the grant amount
- **Will comply** with all program requirements set forth





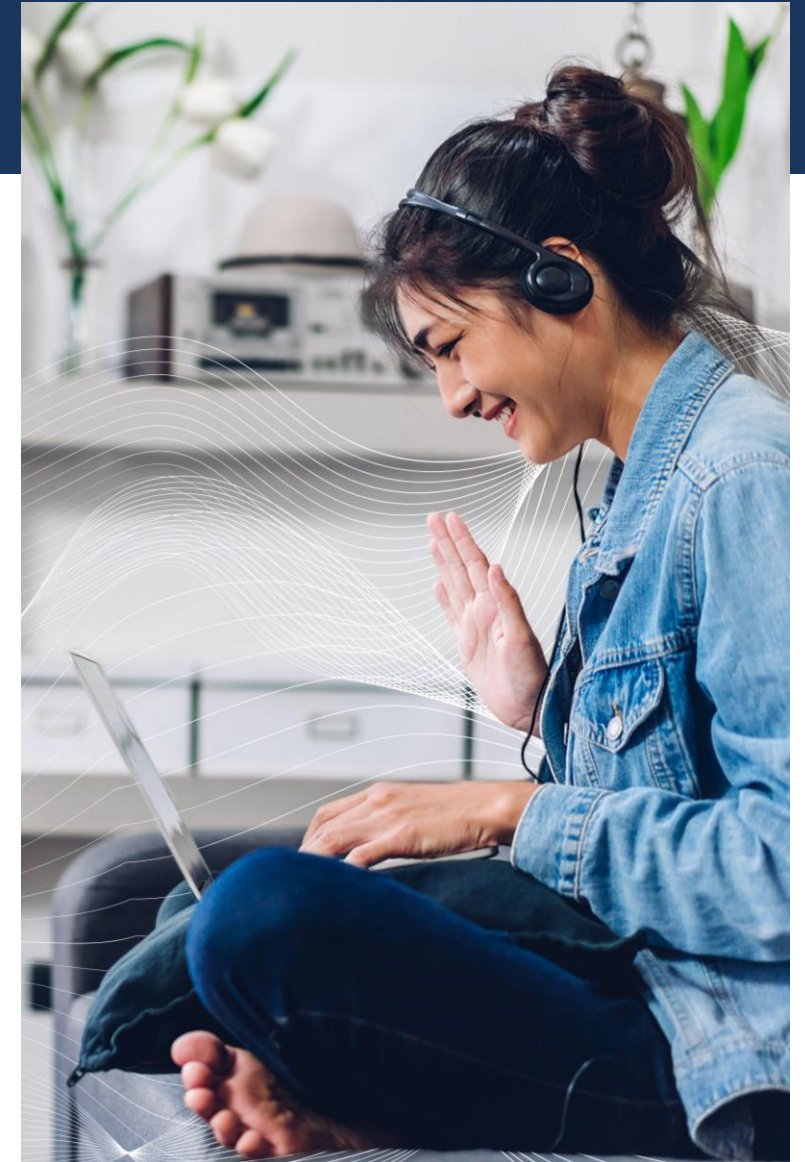
# Eligibility Requirements (04/09)

## Applicant qualifications: financial capability (cont'd)

Applicants must submit documentation demonstrating that they have the financial capability of covering costs associated with the grant prior to reimbursement. This amount must include the grant match (no less than 30% of the award amount) and any additional funding needed to meet the project milestones and timeline in the grant application prior to reimbursement of those expenses.

The documentation must include **at least 2** of the following:

- Letter of credit from a bank detailing the amount of credit offered with the issuing bank's agreement to follow the TNECD Broadband terms and conditions
- Audited financials
- Bank statements
- Additional supplemental proof of funds

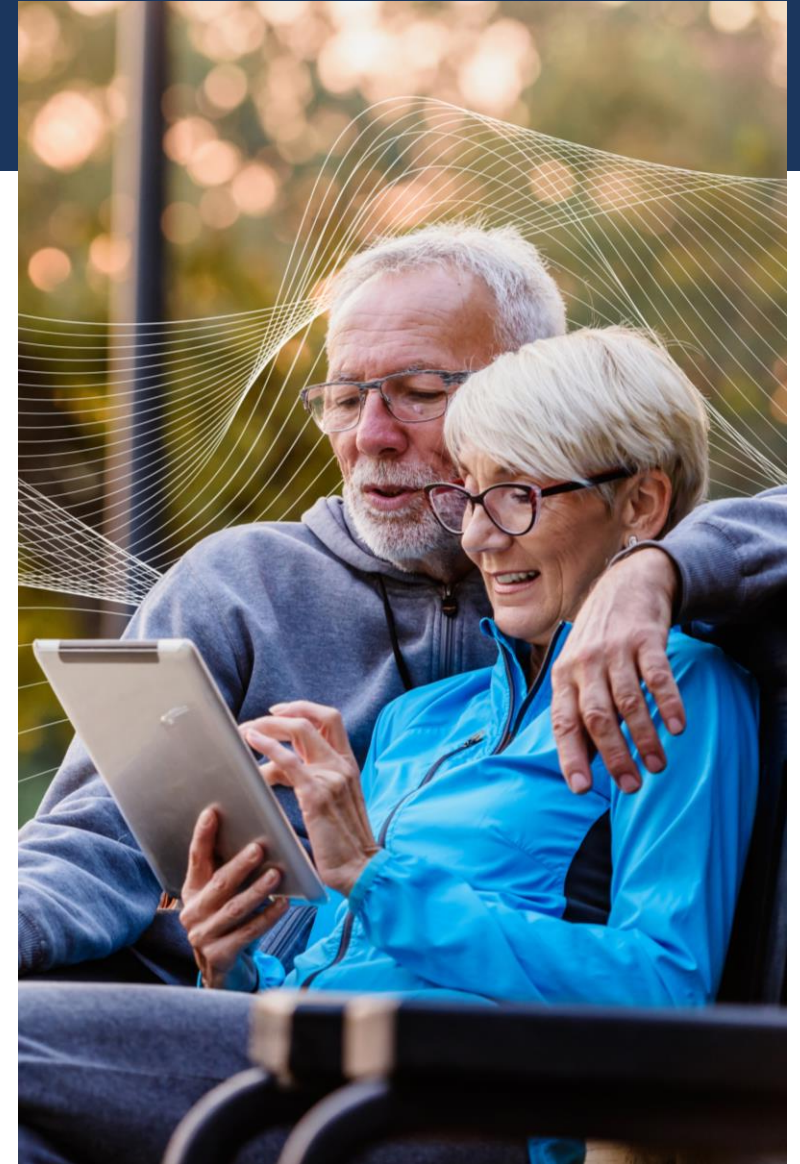


# Eligibility Requirements (05/09)

## Applicant qualifications: technical capability

To demonstrate their technical capability, applicants must provide:

- A network design description
- Project costs
- A buildout timeline
- Project milestones

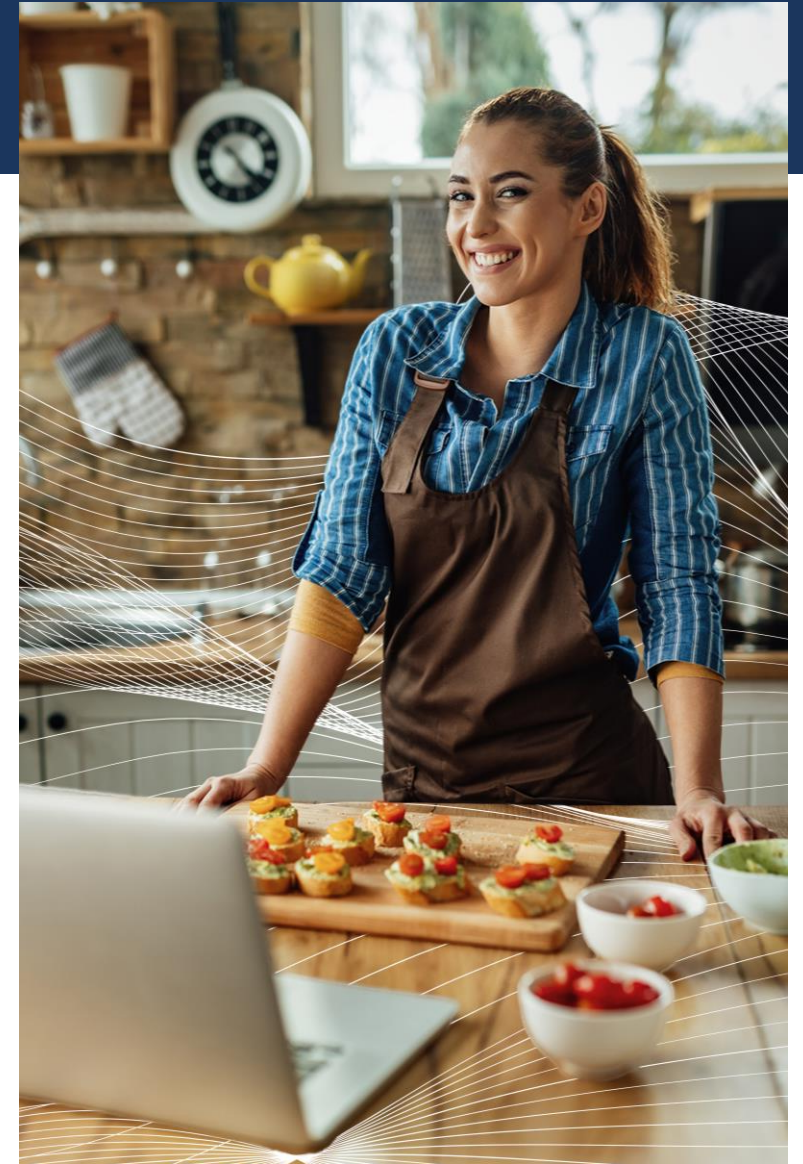


# Eligibility Requirements (06/09)

## Buildout benchmarks

Each grantee will submit a baseline document. This baseline document will provide construction and financial benchmarks through the life of the project.

The baseline document will be used to assess the progress of the project on a quarterly basis.



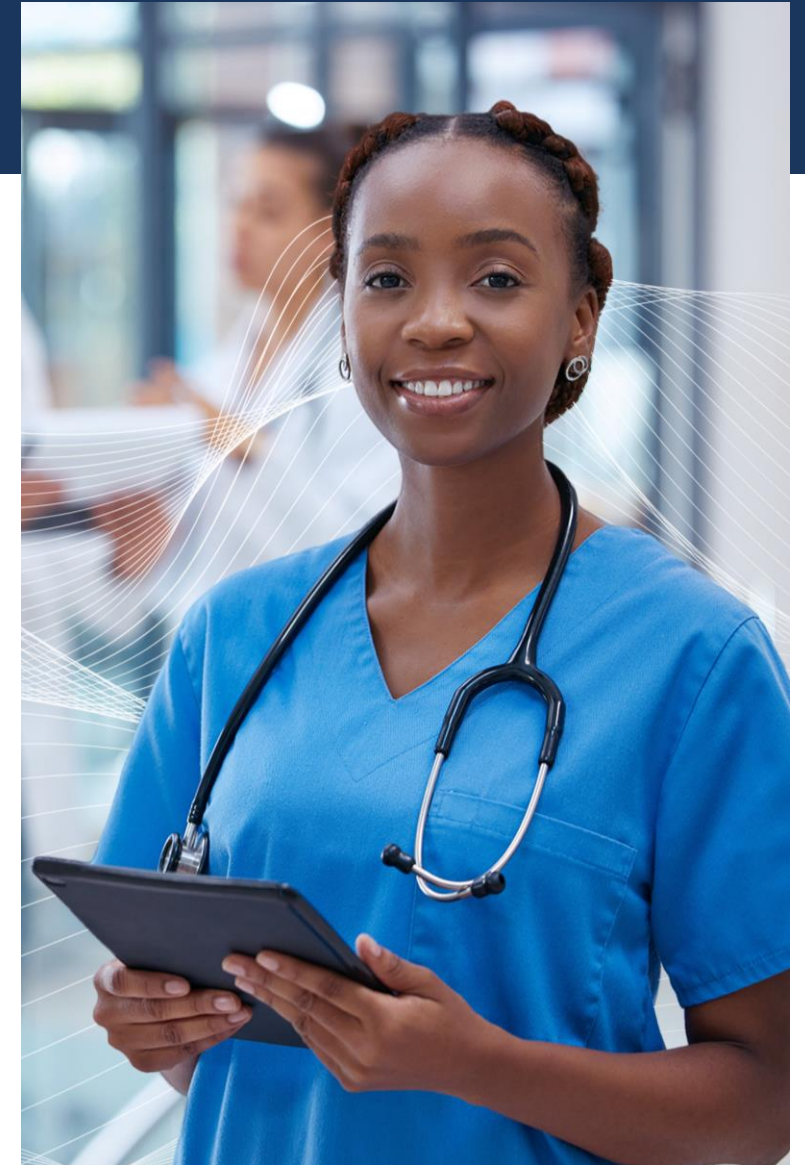


# Eligibility Requirements (07/09)

## Use of project funds: eligible uses

Grant funding can only be used to pay for necessary construction, acquisition, and improvement of middle mile and last mile infrastructure. Costs that appear excessive and/or without justification and costs not considered eligible will not be reimbursed. Examples of eligible uses for both grant programs:

- Internal labor costs incurred as part of eligible project activities
  - Only reimbursable up to the proportion of employees' time spent exclusively on project activities during the period for which reimbursement is sought. Indirect costs are not reimbursable.
- Network and access equipment costs
- Reasonable make-ready and one-time pole licensing costs, excluding recurring pole attachment payments
- Testing
- Vehicles (on a case-by-case basis)





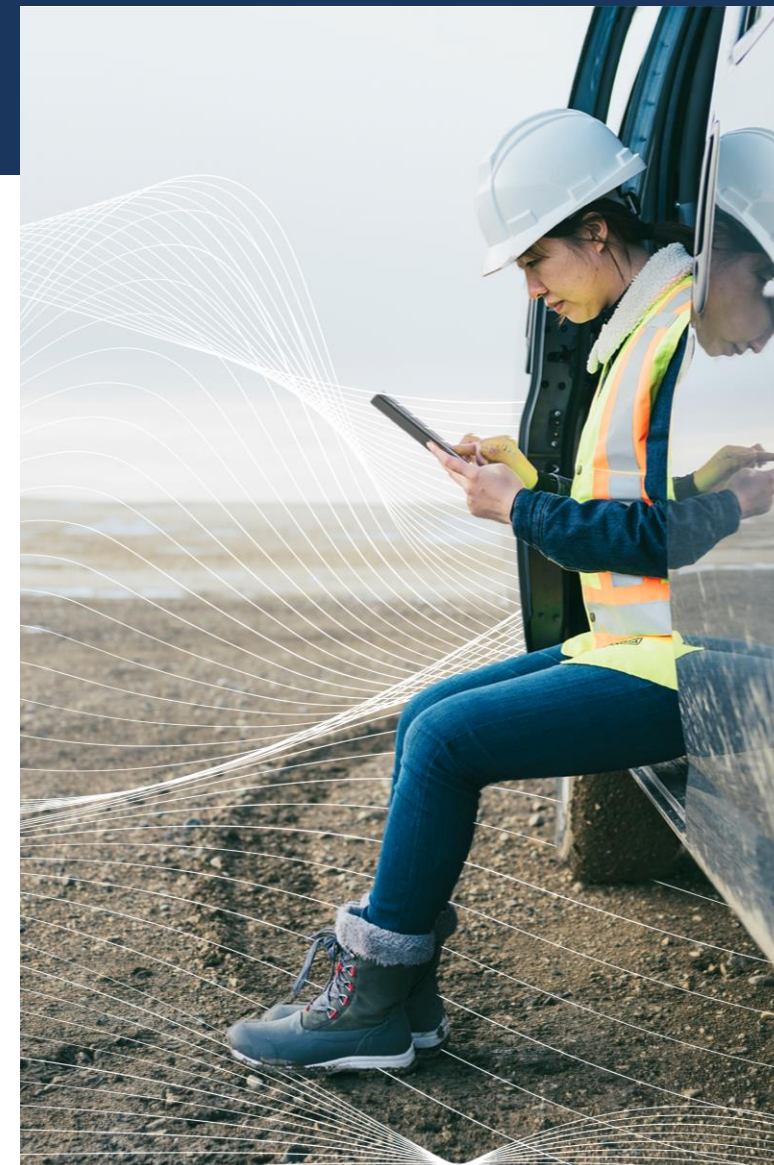
# Eligibility Requirements (08/09)

## Use of project funds: eligible uses (cont'd)

- Equipment shelter, land, site preparation, and site restoration costs
- Professional services (including engineering and project management costs of design and instruction)
- Other miscellaneous upfront costs: Includes any other upfront costs not covered in other categories, such as site preparation, permits, required licenses, sales tax applicable to new equipment purchases, shipping and warehousing expenses, and miscellaneous minor material
- Capital purchase to include vehicles or equipment purchased at  $\geq \$5,000$

## Eligible use for Last Mile Grant Program only:

- Customer premises equipment: funding only covers up to the network demarcation point (e.g., network interface device [NID] or optical network terminal [ONT])

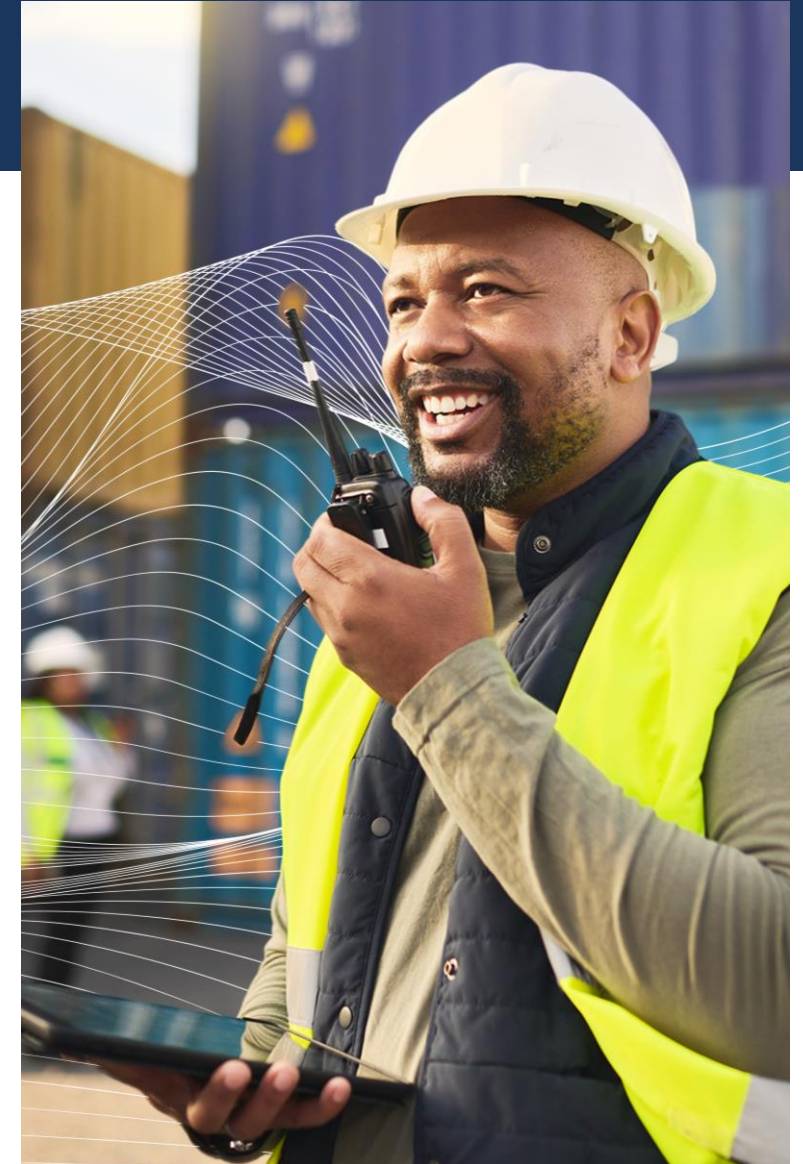


# Eligibility Requirements (09/09)

## Use of project funds: ineligible uses

Ineligible costs include any costs that are not for necessary construction, acquisition, and improvement of middle mile and last mile infrastructure in unserved or underserved areas. Examples of ineligible uses for both grant programs:

- Internal administrative activities
- Fundraising activities
- Computers or office equipment
- Equipment owned or leased by the customer, including routers and modems, and any other costs beyond the network interface point
- Operating expenses



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# C. Application Information

# Application Information (01/03)

## Content and Form of Applications

Applications will be submitted via the grant management software, SmartSimple. Applicants will need to register with SmartSimple at [https://ecd.grants.tn.gov/s\\_Login.jsp](https://ecd.grants.tn.gov/s_Login.jsp) in order to access the grant application.



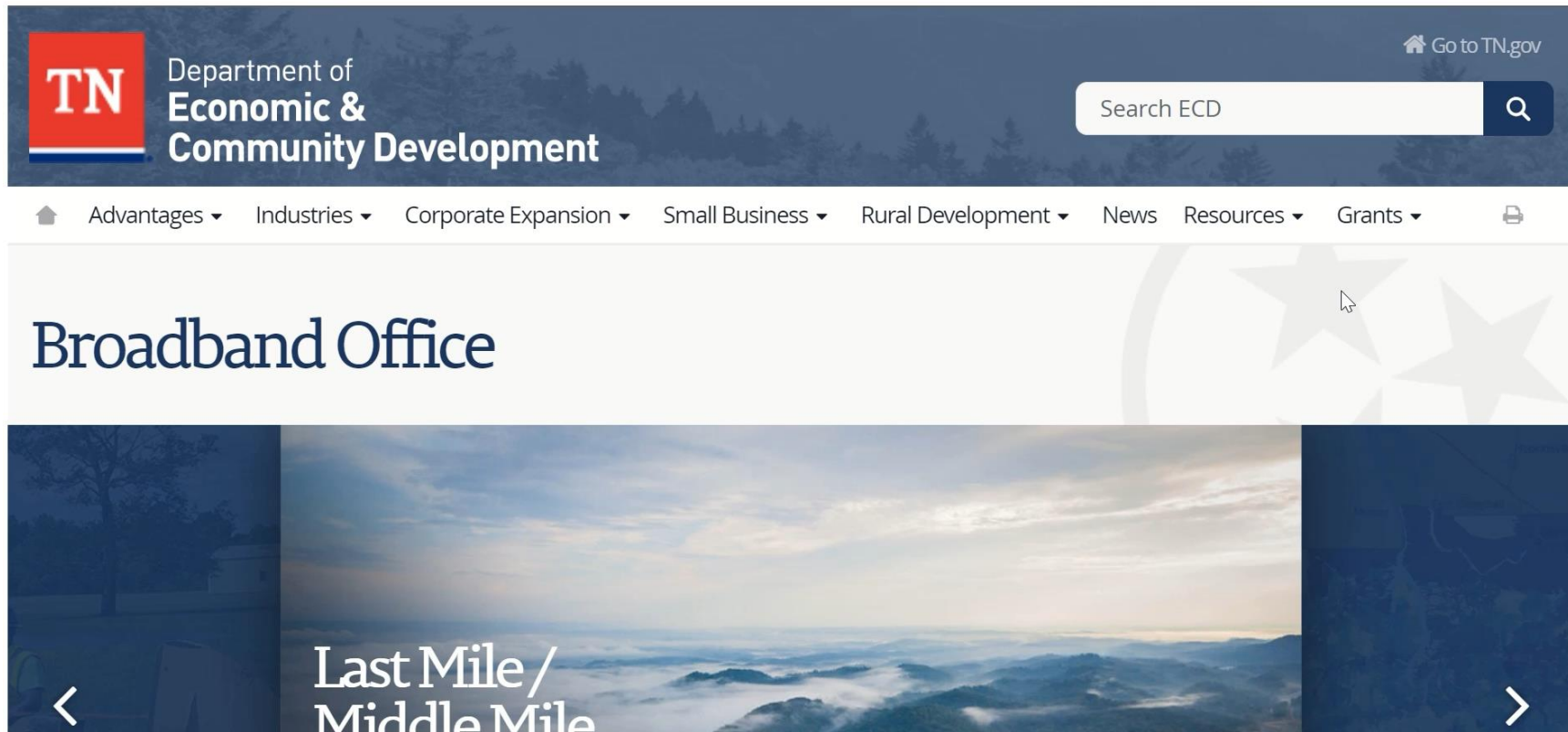
**Submission Period: Sept. 4 to Oct. 16**

A screenshot of the SmartSimple registration page. The page has a dark blue header with the TN Department of Economic & Community Development logo. The main content area is white with a dark blue sidebar on the left. The sidebar contains links for 'Sub-Recipient Grant Management Enterprise Solution(SR-GMES)', 'Sub-recipient /Applicant login in here', 'Email', 'Password', 'Log In', 'Forgot Password?', 'State Employee Login Here', and 'To register or view Grant funding opportunities: Click Here, Training Videos, Watch Here'. The main content area contains a large text block with a warning about government information and a privacy policy statement.

SmartSimple Registration Page

# Application Information (02/03)

## Registering in SmartSimple





# Application Information (03/03)

## Additional uploads

The upload section of the application will allow applicants to upload the following required and optional documents:

- A map of the existing service area in a .kmz, .kml, or .shp file format
- A map of the proposed service area in a .kmz, .kml, or .shp file format
- The organization's procurement policy
- Documents of community support (including letters of support, community survey results, and local match letters of assurances)
- Budget documents (including the Grant Payment Setup Form and proof of financing and match)
- Maps for partner of service areas for partner providers
- Adoption plan materials (including marketing materials with service levels and pricing)
- A signed and stamped review by a professional engineer
- Any additional supplemental evidence or documentation



# D. The Application Review Process



# The Application Review Process (01/03)

## Completeness review

All applications will be assessed for eligibility and completeness to confirm that:

- Administrative information is complete and correct
- The applicant is in good standing with their other federally funded projects
- The applicant adhered to application instructions, submitted budget and other supplementary attachments, and included their signed certification forms
- The project design is certified by a professional engineer

TNECD may take up to 7 to 10 business days to review the application for completeness. If TNECD determines that an application is incomplete, the applicant will be allowed 5 business days to make the necessary adjustments.

Note: If an application is submitted after the completeness review deadline on October 5, it will be reviewed for completeness without the opportunity for the applicant to make adjustments.

# The Application Review Process (02/03)

## Technical review

Applications determined to be complete will undergo a technical review. These are the categories, followed by the total number of points possible for each in the Middle Mile and Last Mile grants, respectively.

Category	Scoring Criteria
<b>Technical Need (50/55)</b>	Is the applicant eligible? Please consider eligibility guidelines in addition to FCC registration status.
	Rate the level of need and difficulty of serving the area. While assessing the description of need, please consider why the area is difficult to serve and likelihood the area will be served without grant funding.
	Has this area received federal funding for broadband infrastructure?
	What is the population density of the grant area?
	What is the percentage of locations in the grant area lacking 25/3 connection?
<b>Leveraged &amp; Match Funds (15/10)</b>	What is the percentage of locations in the grant area lacking 100/20 connection?
	Additional leveraged funds: leveraged funds are a financial commitment toward the costs of a project from a source other than the applicant (i.e., additional funds from the county or city)
<b>Sustainability &amp; Implementation Readiness (40/30)</b>	Additional matching funds: any funds provided by the applicant that exceed the required match
	Rate the ability of the applicant to implement the project on time and within budget. Consider managerial, technical, and financial capabilities of the organization; prior experience with broadband or ability to bring on qualified experts; and long-term stability to manage network moving forward.
	Rate the reasonableness of the applicant's business model, project scope, budget, and timeline. Consider if this is a feasible project scope and timeline.
<b>Speed, Scalability, &amp; Affordability (18/18)</b>	Evaluate the quality of the partnership between the applicant and their partnering organization. Consider the number and quality of previous projects completed together.
	Rate the ability of the proposed speeds to meet community needs.
	Rate the scalability of the project.
	Compare the pricing levels and installation costs to current market rates in rural Tennessee (tier closest to 25/3).

# The Application Review Process (03/03)

## Community impact review

Applications will also be assessed for their impact on the community they seek to serve. The following criteria will be assessed as part of the community impact review:

Category	Scoring Criteria
<b>Economic and Community Impact</b>	Will the applicant provide service to a community anchor institution?
	Economic Development Impact: Consider and describe how the completion of the proposed project will lead to job creation, improve health care delivery, serve an economically distressed area, and/or impact educational access.
	Is the project tailored to meet a need specific to that community? Look for evidence that the provider worked with the community in designing the project.
<b>Community Support and Adoption Strategy</b>	Partnerships and support from the local community: Consider the quality and quantity of partnerships and community support. The partnerships can address adoption or access.
	Assess the quality of the adoption plan. Consider the ability of the plan to address key drivers of adoption: relevance, skills, affordability, perception, etc.
	Has the applicant provided their own resources for adoption efforts? Consider whether the applicant is putting their own resources (beyond marketing) toward adoption (could be providing digital literacy, promoting low-income assistance, free/low-cost devices, etc.).
	Does the applicant participate in the Affordable Connectivity Program (ACP) or offer their own low-cost service plan?
<b>Community Designation</b>	Broadband Ready Community (BRC): Does the grant area serve at least one political subdivision designated as a BRC?
	Appalachian Regional Commission (ARC) Designation: Does the grant area serve an ARC-designated "at-risk county" or "distressed community"?

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# E. Summary

# Summary

## Key points discussed

- TNECD is offering Middle Mile and Last Mile grants to provide broadband access in unserved and underserved areas in Tennessee.
- Applicants will be assessed on several criteria, including:
  - Their financial, managerial, and technical capabilities to complete the project on time and within budget
  - The potential impact on the community served
- All applications will be assessed for eligibility and completeness.
- Applications deemed complete will then undergo a technical review.
- Applications are being accepted from September 4 through October 16.



**Submission Period: Sept. 4 to Oct. 16**

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## F. Next Steps

# Next Steps (01/02)

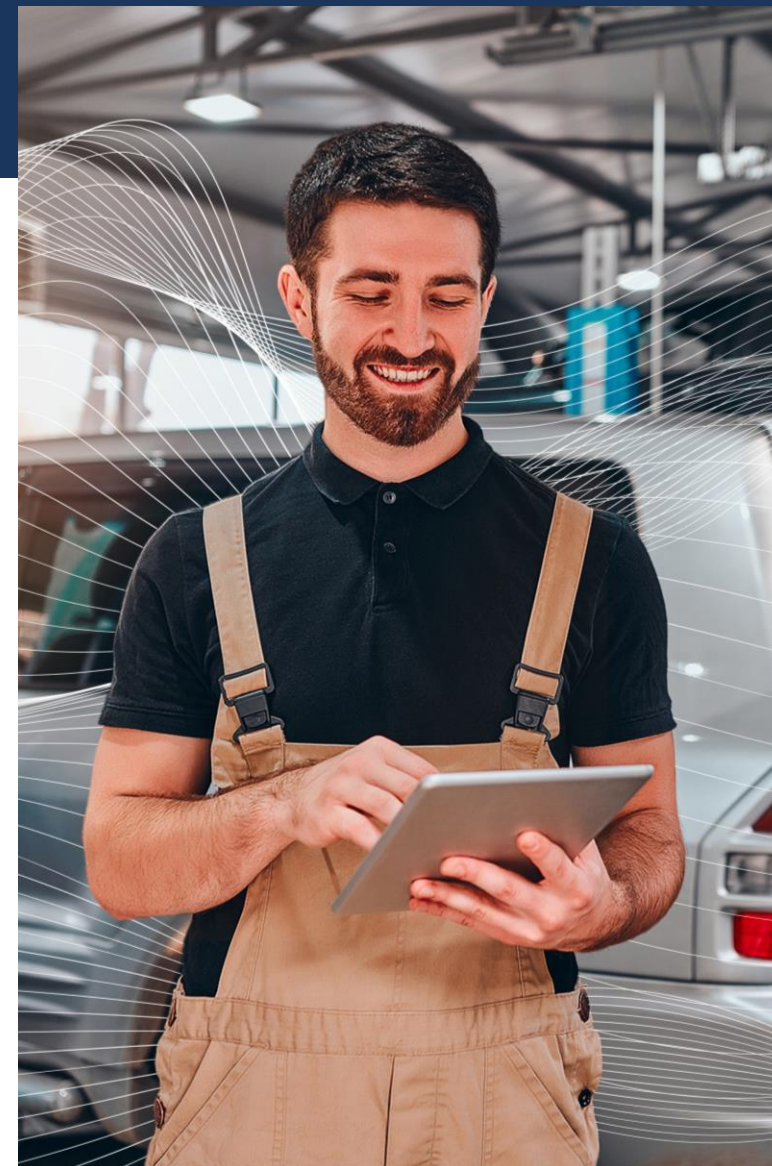
## Upcoming workshops (tentative)

Registration links will be posted on the TNECD website and provided in an email.

- Background and Program Description
- Eligibility Requirements
- Application Information
- The Application Review Process
- The Tennessee Award Administration
- Deep dives:
  - Budget Template/Budget Narrative
  - SmartSimple
  - Community Impact
  - Eligibility Maps

### Locations:

- Nashville (onsite—440 Hogan Rd, Nashville, TN 37220): Sept. 12
- Jackson (onsite—102 E College St, Jackson, TN 38301): Sept. 13
- Knoxville (onsite—1801 Downtown W Blvd, Knoxville, TN 37919): Sept. 14

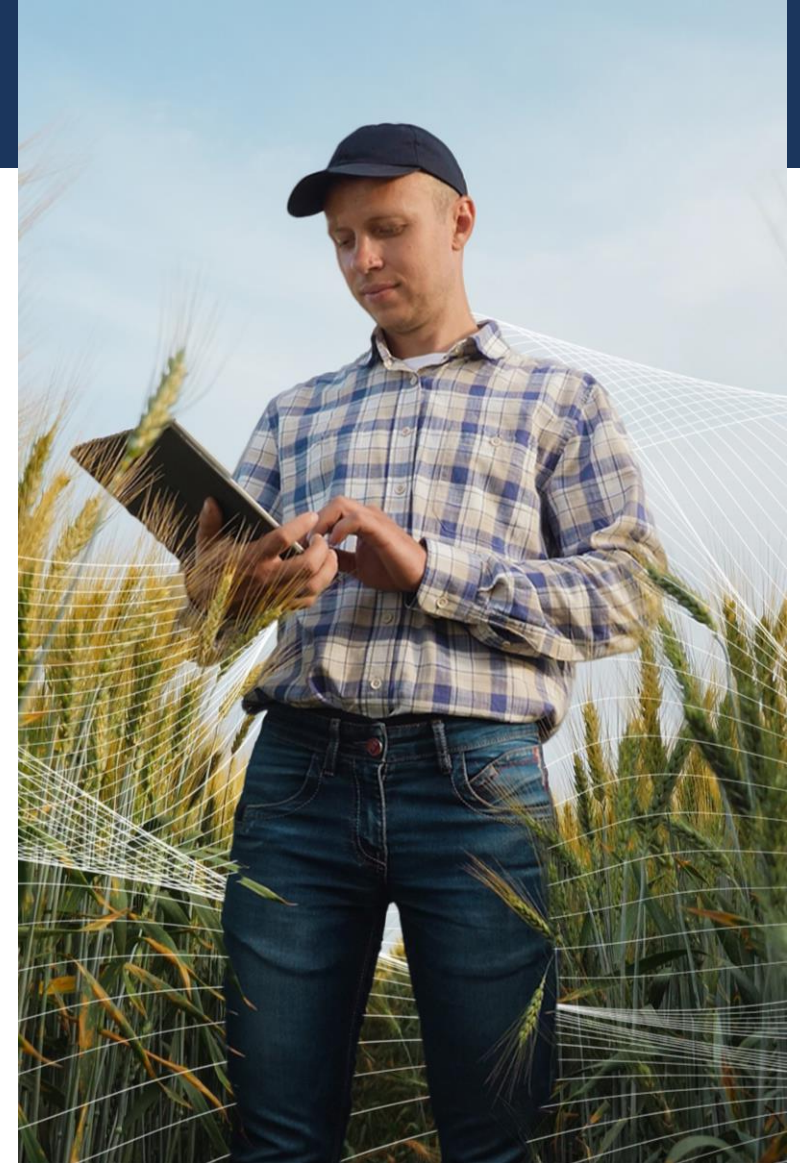




# Next Steps (02/02)

## Resources and key dates

<b>TNECD Broadband Office:</b>	<a href="https://www.tn.gov/ecd/rural-development/broadband-office.html">https://www.tn.gov/ecd/rural-development/broadband-office.html</a>
<b>TNECD Broadband Grant web page:</b>	<a href="https://www.tn.gov/ecd/rural-development/broadband-office/grants.html">https://www.tn.gov/ecd/rural-development/broadband-office/grants.html</a>
<b>TNECD Middle Mile eligibility map:</b>	<a href="https://gis.connectednation.org/portal/apps/experiencebuilder/experience/?id=9d9c557d221f444296b51949af5246f1">https://gis.connectednation.org/portal/apps/experiencebuilder/experience/?id=9d9c557d221f444296b51949af5246f1</a>
<b>TNECD Last Mile eligibility maps:</b>	<a href="https://gis.connectednation.org/portal/apps/experiencebuilder/experience/?id=be485cf47cd4480b904daaa0f629383d">https://gis.connectednation.org/portal/apps/experiencebuilder/experience/?id=be485cf47cd4480b904daaa0f629383d</a>
<b>Contacts:</b>	Taylre M. Beaty, State Broadband Director: <a href="mailto:taylre.beaty@tn.gov">taylre.beaty@tn.gov</a> Emily Hale, Grant Program Manager: <a href="mailto:emily.hale@tn.gov">emily.hale@tn.gov</a> Donovan Spann, Broadband Infrastructure Coordinator: <a href="mailto:donovan.spann@tn.gov">donovan.spann@tn.gov</a>
<b>Last Mile/Middle Mile application period:</b>	Sept. 4 to Oct. 16
<b>Public comment period:</b>	October 2023 (tentative)
<b>Awards announced:</b>	January 2024 (tentative)
<b>Contract signature deadline:</b>	June 30, 2024 (tentative)
<b>End of contract period:</b>	Within 2 years of contract execution



# Take the Survey!

Please take a few minutes to share your feedback.

**Post-event survey: CPF Middle/Last Mile Broadband  
Grants: Program Details and Application Process**





Department of  
**Economic &  
Community Development**

**THANK YOU**